

Introduced by Senators Torlakson, Costa, and Machado

February 5, 2001

An act to amend Sections 6012.8 and 6012.9 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 175, as introduced, Torlakson. Sales and use taxes: exemptions: mobilehome.

The Sales and Use Tax Law imposes a tax on the gross receipts from the sale of tangible personal property sold at retail and on the amount of the sales price with respect to the storage, use, or other consumption of tangible personal property in this state. The law provides a partial exemption from "gross receipts" and "sales price" of 25% of the sales price to the consumer in connection with the sale or use of a mobilehome, as defined.

This bill would instead provide a partial exemption from "gross receipts" and "sales price" of 50% of the sales price to the consumer in connection with the sale or use of a mobilehome.

Counties and cities are authorized to impose local sales and use taxes in conformity with state sales and use taxes. Exemptions from state sales and use taxes enacted by the Legislature are incorporated into the local taxes.

Section 2230 of the Revenue and Taxation Code provides that the state will reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for sales and use tax revenues lost by them pursuant to this bill.

This bill would take effect immediately as a tax levy, but its operative date would depend on its effective date.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6012.8 of the Revenue and Taxation
2 Code is amended to read:

3 6012.8. (a) For the purposes of this part, “gross receipts”
4 from the sale of a new mobilehome, and the “sales price” of a new
5 mobilehome sold or stored, used, or otherwise consumed in this
6 state shall be ~~75~~ 50 percent of the sales price of the mobilehome
7 to the retailer, if the mobilehome is sold by the retailer to the
8 purchaser for installation on a foundation system pursuant to
9 Section 18551 of the Health and Safety Code for occupancy as a
10 residence, and is thereafter subject to property taxation. The
11 retailer shall be considered to be the consumer for purposes of this
12 part if the sale by the retailer would otherwise have been subject
13 to sales tax and if the retailer is not also the manufacturer of the
14 mobilehome. If the retailer of the mobilehome is the manufacturer,
15 tax shall be measured by an amount equal to ~~75~~ 50 percent of the
16 sales price at which a similar mobilehome ready for installation
17 would be sold by the manufacturer to a retailer-consumer in this
18 state.

19 Notwithstanding any other provision of this part, a retailer may
20 give a resale certificate for the purchase by the retailer of such a
21 mobilehome and shall report the gross receipts or sales price from
22 the purchase with the return for the period during which the
23 mobilehome is sold to the purchaser for installation for occupancy
24 as a residence.

25 Notwithstanding any other provision of this part, any retailer
26 who is a licensed mobilehome dealer under Section 18002.6 of the
27 Health and Safety Code is a retailer-consumer regardless of
28 whether or not it installs the mobilehome on a foundation system
29 as an improvement to realty. The licensed dealer may give a resale
30 certificate for the purchase of such a mobilehome, and shall report
31 the gross receipts or sales price from the purchase with the return
32 for the period during which the mobilehome is installed by the
33 licensed dealer for occupancy as a residence.



(b) For purposes of this section, a “mobilehome” is defined in Sections 18008 and 18211 of the Health and Safety Code.

(c) If a purchaser certifies in writing to a retailer that the mobilehome purchased will be consumed in a manner or for a purpose entitling the retailer to exclude ~~25~~ 50 percent of the gross receipts or sales price to the retailer from the measure of tax, and uses the property in some other manner or for some other purpose which would not be subject to any other exclusion or exemption under this part, the purchaser shall be liable for payment of tax measured by the amount of the sales price to the purchaser less an amount equal to ~~75~~ 50 percent of the gross receipts or sales price of the mobilehome to the retailer.

(d) There are exempted from the taxes imposed by this part, the gross receipts from the sale of, and the storage, use, or other consumption in this state of any used mobilehome, the initial retail sale of which qualified for the partial exemption from tax provided for by this section.

SEC. 2. Section 6012.9 of the Revenue and Taxation Code is amended to read:

6012.9. (a) For the purposes of this part, “gross receipts” from the sale of a new mobilehome, and the “sales price” of a new mobilehome sold or stored, used or otherwise consumed in this state shall be ~~75~~ 50 percent of the sales price of the mobilehome to the retailer, if such mobilehome is sold by the retailer to the purchaser for installation for occupancy as a residence pursuant to the requirements of Section 18613 of the Health and Safety Code, and is thereafter subject to property taxation. The retailer shall be considered to be the consumer for purposes of this part if the sale by the retailer would otherwise have been subject to sales tax and if the retailer is not also the manufacturer of the mobilehome. If the retailer of the mobilehome is the manufacturer, tax shall be measured by an amount equal to ~~75~~ 50 percent of the sales price at which a similar mobilehome ready for installation would be sold by the manufacturer to a retailer-consumer in this state.

Notwithstanding any other provision of this part, a retailer may give a resale certificate for the purchase by the retailer of such a mobilehome and shall report the gross receipts or sales price from such purchase with the return for the period during which the mobilehome is sold to the purchaser for installation for occupancy as a residence.

1 (b) For the purpose of this section, a “mobilehome” is defined
2 in Sections 18008 and 18211 of the Health and Safety Code.

3 (c) If a purchaser certifies in writing to a retailer that the
4 mobilehome purchased will be consumed in a manner or for a
5 purpose entitling the retailer to exclude ~~25~~ 50 percent of the gross
6 receipts or sales price to the retailer from the measure of tax, and
7 uses the property in some other manner or for some other purpose
8 which would not be subject to any other exclusion or exemption
9 under this part, the purchaser shall be liable for payment of tax
10 measured by the amount of the sales price to the purchaser less an
11 amount equal to ~~75~~ 50 percent of the gross receipts or sales price
12 of the mobilehome to the retailer.

13 (d) There are exempted from the taxes imposed by this part, the
14 gross receipts from the sale of, and the storage, use, or other
15 consumption in this state of any used mobilehome, the initial retail
16 sale of which qualified for the partial exemption from tax provided
17 for by this section.

18 SEC. 3. Notwithstanding Section 2230 of the Revenue and
19 Taxation Code, no appropriation is made by this act and the state
20 shall not reimburse any local agency for any sales and use tax
21 revenues lost by it under this act.

22 SEC. 4. This act provides for a tax levy within the meaning of
23 Article IV of the Constitution and shall go into immediate effect.
24 However, the provisions of this act shall become operative on the
25 first day of the first calendar quarter commencing more than 90
26 days after the effective date of this act.

